

BRANDS MANAGEMENT OF “EVOCABANK” AND “ID” BANK  
IN ARMENIA

by

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## **Abstract**

In recent years Armenian banks “Evocabank” and “ID” bank entered the market with new brands. This study examines the ways those banks are managing their branding by creating brand identity, increasing brand awareness and generating brand loyalty. Additionally, it is important to understand how the Armenian consumers perceive their brand identity. The main argument this study makes is that “Evocabank” and “ID” bank have achieved an effective brand identity and brand awareness in the Armenian market. The methods used in this study were interviews, online and face-to-face surveys. The findings showed that both banks communicate their brands through various means, including the organization of campaigns and online polls. The information from interviews indicated that the visual process in branding is what communicates a brand identity to potential consumers at first. Overall, this study concluded that both “Evocabank” and “ID” have to find new ways to differentiate themselves to the consumer in branding by communicating different types of services. Furthermore, the banks need to develop a new strategy for brand distinction. Thus, what this study finds is that both “Evocabank” and “ID” bank have not achieved different and distinctive branding. Therefore, the study concludes that both banks are not branding as effectively as they should.

## TABLE OF CONTENTS

<b>Introduction.....</b>	<b>3</b>
<b>Literature Review .....</b>	<b>5</b>
<b>Methodology .....</b>	<b>9</b>
<b>Findings and Results .....</b>	<b>12</b>
<b>Discussion and Conclusion.....</b>	<b>25</b>
<b>Bibliography.....</b>	<b>29</b>
<b>Appendices .....</b>	<b>32</b>

## **Introduction**

This is a study of branding by banks in Armenia. Branding is the primary to management, through which the company implements three important steps (Keller & Lehman, 2006, p.740.) Firstly, it establishes the products or services that it has, secondly it reaches potential consumers, and finally, it generates assurance in consumers that it will satisfy their expectations. The companies from various fields apply for branding. The financial institutions are not an exception. As people become more dependent on digital means, the companies start to brand themselves appropriate to innovative standards (Clifton, 2009, p. 223.) Their purpose becomes to get out of traditional approaches of banks, by offering services, which are the best innovative solutions. The importance of this is to communicate their new brand effectively to the consumer. The name and visual element that aims to establish the service or the product of a specific company and make it differing from others is what the brand means (Ghodeswar, 2008, p. 4.)

Generally, for being convincing, the companies have to create distinctive brand identities. The brand identity is the name, logo, visual design, slogan, etc. by relying on which people create differentiations (Konecnik & Go, 2008, p. 2.) The essential factor is to communicate the central values that the company has with the elements of brand identity. With differing brand identity, the banks aim at raising the brand awareness, which in its turn might result in the increment of consumers. Brand awareness can be defined as the ability of a consumer to identify a specific brand without any challenge (Percy & Rossiter, 1992.) As the companies aim at achieving increment of consumers, they also have to communicate their services or products effectively, which will generate desire in potential consumers to become one of their clients (O'Loughlin, Szmigin & Turnbull, 2004, p. 218.) After accomplishing that step, if the company achieves the needs of consumers, it will result in loyalty towards their brands. Brand loyalty is when the consumer is constantly using the services or buying the products of a certain company, without betraying that tradition (Mellens, Dekimpe, Steenkamp, 1996.)

Being a developing country, banks in Armenia are also periodically branding themselves, by entering the market with innovative changes. This phenomenon began in recent years and continues at a great speed. This study particularly focuses on “Evocabank” and “ID” bank. Those banks are relevant examples, which went through rebranding processes accordingly in 2017 and 2018 and entered the market with new brand identities. “Evocabank” was first established in 1990 as “Prometey” Bank, while “ID” Bank also in the same year as “Anelik” Bank.

As the study of Edelman (2010) examines nowadays the internationally known financial institutions are more inclined to redefine their strategies in branding (p. 2.) They implement it after studying the ways that will communicate their brand in the most effective form to the consumers. The purpose is for being corresponding to the global standards. Ariss (2010) states that the innovative modifications in the structure of banks create new challenges for banks in developing countries for establishing a brand that would assure effective results (p. 3.) Therefore, there is a need to examine Armenian banks in particular. It is important to find the reasons for which the banks manage their brands in a specific way in a developing country. From the other perspective, it is also vital to understand the perception of consumers for examining the effectiveness of the managing strategies of banks (Edelman, 2010, p. 5.)

Overall, this study examines the ways “Evocabank” and “ID” manage their brands in the Armenia market. It aims to find whether the banks have achieved effective brand management by creating awareness and loyalty towards their brand among the consumers.

## Literature Review

The banks, being as one of the primary functioning financial structures, have to periodically brand themselves and develop a strategy for effective brand management. Through the implementation of those strategies, banks aim to raise brand awareness and generate loyalty towards their brands among consumers. “The modern brand communication theory” states that the brands are the sources for contentment (Kapferer, 2008, p. 182.) For companies, the brands add the differentiation and distinctiveness of their offered products and services in the minds of potential consumers (Kapferer, 1994, p. 2.)

The communication steps that companies have as a part of their branding strategy are what ensure “the long-term relationships” with consumers (Foreman & Argenti, 2005, p. 247.) According to Fombrun and Rindova, the effectiveness of communication depends on how well the company identifies various advantages of its brand instead of how often it does (as cited in Foreman& Argenti, 2005, p. 248.) At the first stage, with communicating their brands, the companies have to reach people, who are their target. Afterward, they have to achieve a positive perception of a brand by the potential consumers (Bethon, Ewing & Napoli, 2008, p. 30.) Based on Sengupta’s (2008) book, the main goal is to attain a distinctive brand position (p. 4.)

The banks communicate their brands through one-way or indirect and two-way or direct means (Azize, Cemal & Hakan, 2012, p. 2.) As Zehir in his 2001 work indicates, indirect communication is done through advertisements, TV, radio, public campaigns, and other promotional activities (as cited in Azize et al. 2012, p. 2.) While communicating with the consumers indirectly, the companies aim at raising the awareness of the brand. The right approach to communicating a brand through advertisements and generating “intention for purchase” is what creates brand awareness among the potential consumers (Tsai, 2007, p. 2.) As Hoyer and Brown (1990) found out with their study, the preference of a specific brand depends on the awareness level of the consumers (as cited in Macdonald & Sharp, 2002, p.2.) Being well aware of a brand

will influence on the choice of a service or product with assurance of its quality, which then might result on the emergence of brand loyalty (Macdonald & Sharp, 2002, p.2.) The direct communication is the face-to-face interaction between the consumers and the employees of the company. Besides focusing on external communicating factors, the banks have to focus on internal components too. The employees are the direct communicators, who with their approach assure clients about their choice for specific service or product (Yeboah, Ewur, Adigbo & Asirifi, 2014, p. 8.) The imposing experience that consumers have with the company generate loyalty towards the brand (Wheeler, 2017.)

For effectively managing the brand, the companies have to create brand identity, which will highlight the “silent” attributes that make the brand different and distinctive (Martin, Stewart & Matta, 2009, p. 6.) According to “The New Strategic Brand Management” book of Kapferer (2008,) the brand identity has its central role in “the brand management” process (p.324.) The most important factor, which banks need to consider while creating their brand identities or initiating rebranding of it, is that it needs to represent the company’s central values directly. The brand identity has to communicate the “consumers’ needs,” the company’s capacity on future endorsements, as well as the features that make it different from other competitors (Ghodeswar, 2008, p. 2.)

The physical elements in brand identity are what communicate the central values that the brand holds (Kapferer, 2008, p. 183.) The brand logo, name, or visual design are the constituents of brand identity that influence the consumer’s minds. The logo is the element that helps the consumers to understand the brand personality (Kapferer, 2008, p. 195.) As Huppartz’s (2005) discusses in his work, along with changing the HSBC bank’s logo and making it corresponding to global standards, there was seen a considerable increment of the brand awareness (p. 359.) The reason behind it was connected to the fact that instead of the historical and old-fashioned logo, the bank decided on creating a simple one, which consisted of only one element (Huppartz, 2005, p. 359.) Accordingly, the simplicity of the brand logo is what attracts potential consumers.

The names also play an important role in brand identity, as they represent the intentions, that brand has (Kapferer, 2008, p. 193.) Based on the study, 60% of the companies prefer abstract names for their brands (Daly & Moloney, 2005, p. 38.) The companies concentrate more on communicating the values that are typical to their brand through short and easily remembered names (Daly & Moloney, 2005, p. 38.) The colors and shapes in the visual design are also important communicating elements. Consumers perceive the colors differently depending on the country (Wash, Winterich & Mittal, 2012, p. 78.) For example, black is tragedy color in Europe, while in Japan, that color is white (J. & A. Kaikati, 2003, p. 23.)

Along with creating brand identity, the companies have to communicate their services as a part of their brand management process too. Doyle (1989) states that services that the company offers are advantages in “brand building process” (as cited in Yeboah et al. 2014, p.3.) Effective brand communication can generate desire for using specific service. As Keller mentions, services are the abstract qualities of the companies, based on which certain brand associations appear (as cited in Keller & Lehman, 2006, p. 741.) The effective communication of the services can be achieved when the companies emphasize the values that their system provides with those services for the external users of the bank (Schultz & Kitchen, 2004, p. 17.) The difficulty in communicating the services is that those are intangible elements of the brand (De Chernatony & Riley, 1999, p. 182.) They have to be convincing enough about the possible outcomes that potential consumers will have while choosing that service. Therefore, the companies achieve effective branding not only with communicating their brand identity but also with communicating their services. For the establishment of strong relations with consumers and positive perceptions in their minds, the experience that consumers have with the brand plays a central role (O’Loughlin et al. 2004, p. 218.)

Aside from all of this, the brand generates certain traits of personality among its potential consumers (Kapferer, 2008, p. 183.) Along with the formation of the personality type of the brand, there appears the increment of the brand awareness, which in its turn generates “strong brand



loyalty” among the consumers (Choi, Shen, Jung, Chow & Wong, 2014, p. 31.) People perceive the brands with specific characteristics, as they do during human interactions (Azoulay & Kapferer, 2003, p.3.) Moreover, they create associations with the brand based on the way it communicates itself. There meet instances when the companies choose the famous person as the representative face of their brand. In those cases, people find similar characteristics between them and the celebrity, which results in the formation of positive opinion about the company and its brand (Azoulay et al. 2003, p. 2.) However, there can also meet negative consequences, when the presence of the celebrity results to the opposite effect, by decreasing the chances that people will choose that brand (Ang, Dubelaar & Kamakura, 2007, p.3.) Therefore, the companies have to choose a celebrity, who in general shows more popularity and love among the dominating part of the society.

Thus, as it became evident from the studies that were used in this literature review, the majority of works relate to brand management strategies for companies in general. The previous research lacks on finding the strategies that specifically banks apply for the management of their brands. Besides that, the studies focus is mostly on companies in developed countries. The researches discuss the examples of globally known brands. They do not consider the companies that are from developing countries and have not achieved brand awareness in the global market. The consumer perception that the studies discuss are also for brands that are well known globally. Therefore, with a shortage of research on companies from developing countries, the studies do not include data about Armenian banks too. However, there is importance on studying the brand management strategies of companies in developing countries for understanding whether their implementations correspond to what companies in developed countries initiate. By basing on those studies, the companies of developing countries can then understand the effectiveness of their branding and if necessary, find new strategies for managing their brands.

With that purpose, this research aims at studying two banks in Armenia, which are “Evocabank” and “ID” bank. It finds the branding strategies of those banks. In addition, this

research touches upon the other side, while showing the potential consumers' perception of the brands through the collected data. In the end, the study concludes whether how effectively both "Evocabank" and "ID" bank manage their brands communication. Accordingly, the first question to which this study aims to answer is *"How do "Evocabank" and "ID" bank manage their brand communications?"* As those banks had gone through the rebranding processes accordingly in 2017 and 2018, the study also examines *"In what ways do "Evocabank" and "ID" bank create brand identity, brand awareness, and brand loyalty?"* It then moves on answering the question *"How the brand image as consumer perception match with the brand identity that those banks had created?"*

## **Methodology**

For finding how the banks manage their brands and how effectively they achieve it, it was important to gather both qualitative and quantitative data. Firstly, for collecting qualitative data, there were conducted four interviews. The purpose of choosing interviews as one of the methods was for examining brand management strategies of banks on a deeper level. The interviews would help to get thorough information from banks' representatives on how "Evocabank" and "ID" bank have been managing their brands. Additionally, to form a general picture for what purposes they have implemented specific communication steps. It would be possible to find what branding director and Public Relations specialist suggest for banks to achieve effective brand management in Armenia too. Aside from the interviews, for gathering quantitative data, there were conducted both online and face-to-face surveys. The data gathered from the surveys were for understanding the perception of consumers about the brands. The certain percentages would indicate specific results that could be used to draw parallels with the information gathered from the interviews. Both data of interviews and surveys were gathered for concluding whether "Evocabank" and "ID" bank achieve effective brand management in the Armenian market.

### *Qualitative Data- Interviews*

Out of four interviews, the first one was conducted through an email with Irena Abgaryan, who is a Public Relations and Marketing specialist in “Evocabank.” Mrs. Abgaryan sent the written interview answers through an attached document along with an additional report of the bank. The second interview was with “ID” bank’s director of marketing sector Tatevik Hovhannisyan. It was completed on a face-to-face basis. As there was not permitted to record this interview, the answers were exclusively recorded in notes. There were used the same questions for both interviews. The third interview was with “Braind” branding agency’s co-founder and branding director Karen Babajanyan. This interview was also conducted through a face-to-face format. With the opportunity of recording this interview, it was later transcribed for further use in the analysis of the data. The communicating language during all three interviews was Armenian. There was also conducted another interview with Tatevik Avetisyan, who is a Public Relations specialist and adjunct lecturer at the American University of Armenia. The latter interview was held in English, and the questions of the interview and the answers to them were sent by email too.

### *Quantitative Data- Online and Face to face Surveys*

The main principle of distributing online survey was by posting it in different groups of social media network Facebook. Based on the assumption that middle-aged and over 60 years old people in Armenia would not be able to fill in the online survey, as they might not be active users on Facebook, the survey was also conducted in a face-to-face format. The Republic Square of Yerevan and the Northern Avenue were two main locations, where people were asked to participate. The process of choosing the participants was based on random sampling.

The survey had three sections, all of which were consisted of multiple-choice questions. The first section’s set of questions were for gaining demographic information about the

participants of the survey. The questions were asking about nationality, age, gender, occupation, residence, marital status, etc. The second and third sections included questions for accordingly “Evocabank,” and “ID” bank. The questions and answer choices were almost the same with some exceptions. One differing answer choice was for the question “What communicates the image of “Evocabank”/ “ID” bank?” The answers were as follows logo, visual design, color, and slogan. People could add their option too. As “Evocabank” had celebrity Iveta Mukuchyan as the representative of their brand, that option was also beside the other possible answers in the section of “Evocabank” (see in appendix 4.) The survey included questions about the services of banks too. As the services that banks offer are different, this question was also varying in both sections. By relying on the fact that there could be participants who would not be aware of those banks, the survey also included visuals (see in appendix 4.)

Throughout a month, the total number of online survey participants’ reached to 150. Without any exception, all people, who took part in the survey, were Armenians, out of which 90.7% were the residents of the capital city Yerevan. There were only small percentages of responses from people living in the regions, as only 3.3% of the respondents were the residents of Syunik province, while 1.3% from Shirak. As the online survey was distributed in the scope of certain groups on Facebook, it could have mainly reached to the users of urban capital city Yerevan. On the other hand, it might not reach to users of regions too. Therefore, the data gathered from the survey indicate an uneven division of population, who had their participation in it. The most active respondents of the online survey were young people between the ages 19 to 29. In comparison, the most passive respondents were people among the age ranges 40 to 49 and 50 to 59, as accordingly only 5.3% and 0.7 % of registered responses were completed by them. Additionally, there were not received responses from people at the age of 60 and over.

In contrast to this, the overall number of participants in the face-to-face survey reached 50 for three weeks. Similar to the online survey, here as well, the respondents were all Armenians. This survey registered high participation of middle-aged and over 60 years old people too. Thirty

percent of participants were 40-49 years old, 18% were 50-59, while 26% were 60 or over. Though the survey was conducted in Yerevan, however, there also met few participants, who were currently in the capital city but generally they were residing in other provinces of Armenia. From those people, 8% were from Shirak, while 4% from Tavush.

## **Findings and Results**

This section analyzes the results of the data from the different methodologies of interview and survey. First, there are introduced the interview results with banks' Public Relations and marketing representatives as well as with the co-founder of "Braind" branding agency and with the expert of Public Relations field. Then there is presented the data gained from both online and face-to-face surveys. Those findings indicate how effectively "Evocabank" and "ID" bank accomplish their brands' management processes.

### *"Evocabank"- Brand Management*

For understanding how "Evocabank" manages its brand, there was conducted an interview with "Evocabank's" Public Relations and marketing specialist Irena Abgaryan.

As Mrs. Abgaryan noted, "Evocabank" aimed at creating a young, bright, and innovative bank, which would be the first choice of people in the mobile banking field. The bank's purpose was on showing the progressive approach by offering services on mobile first format basis that would provide the same functions without the visit to the bank. By relying on the information from the provided report, being a reliable bank for customers is one of the core values of "Evocabank." What relates to the question of how the bank succeeds on raising their reputation beside the other competitors, Mrs. Abgaryan wrote; "We periodically research the market and create differing,

innovative banking system, show high-quality service, and consistency towards our customers' considerations." As she mentioned, online questionnaires are one of the primary ways of knowing about the judgments and preferences of the customers.

"Evocabank" initiates various public campaigns and advertisements. It also communicates with customers through channels in social networks, including Facebook, Instagram, and YouTube. As a response to a question, whether how often the brand undertakes campaigns or organizes online competitions and what purpose those steps hold, Mrs. Abgaryan responded: "Periodically. Those are for raising public awareness about the new products and programs, which will eventually lead to the increment of customers."

She also wrote that as the bank went through rebranding process from "Prometey" to "Evocabank" in 2017, there was organized an advertising campaign for the representation of their new corporate identity as a part of communication initiatives. "The focus of this campaign was for promoting EvocaTouch application and spreading the new brand image of the bank," states the infographic. It also notes that popular singer Iveta Mukuchyan was decided to be the representing face of the brand. What relates to the availability of the bank in regions, Mrs. Abgaryan wrote that "Evocabank" had opened branches not only in the capital city Yerevan, rather in Abovyan, Masis, Gyumri, and in Vanadzor cities too. Overall, as she claimed, based on the recent results, it is an absolute truth that society perceives the main ideologies of the bank fully. She also mentioned, "The reason behind it is the increased trust towards the brand along with the emergence of new services in a mobile format."

Thus, it can be pointed out from the interview responses that "Evocabank" uses various means of channels for communicating with people resided in different parts of Armenia. By relying on the answers and the report, it can be noted that the bank also emphasizes the opinion of its customers. Besides that, the interview indicates that while entering the market with a new brand identity bank held the purpose of being perceived as a young, innovative, and reliable brand.

### *“ID” Bank- Brand Management*

As this study also examines brand management of “ID” bank, there was conducted an interview with “ID” bank’s director of marketing sector Tatevik Hovhannisyan.

Mrs. Hovhannisyan said, “The base for our bank’s name is the idea of individuality.” In her words, that specific choice of the name was for giving consumers a chance to interpret it easily in different languages too. She stated that their choice of brand’s colors were for communicating to consumers that the bank is transparent, innovative and active. As a response to the question of what type of personality they wanted people to associate the bank with, she told that the bank’s aim was for entering the market with a brand, which will be highly associated with an active young person. Mrs. Hovhannisyan mentioned that they do not limit the boundaries of the bank’s target group. They consider youth, freelancers, entrepreneurs from banking or other developing fields, even children and people from all the other age ranges its target. As “ID” bank went through the rebranding process in 2018, the bank created a new brand by firstly learning about the needs of the potential consumers. Mrs. Hovhannisyan noted that there were organized face-to-face as well as focus groups meetings before they established a new brand.

Aside from this, “ID” bank organized different campaigns and created particular showrooms. During one of the campaigns, they announced their new digital banking opportunity in cooperation with Idram Company. As Mrs. Hovhannisyan added, there was also initiated a campaign in the scope of World cup football games in 2018. The bank created an opportunity for people to watch the games with a big screen. During this initiative, there were held drawings, where people won special prizes that “ID” bank prepared beforehand. In Mrs. Hovhannisyan’s words, the communication strategies that they undertake are indicating how the bank cooperates with its customers to solve the problems that they might address by therefore offering new opportunities that correspond to modern standards.

On how the bank raises its brand awareness, Mrs. Hovhannisyan stated that despite organizing strategic plans in Yerevan, they are also working on widening the branches in the

regions too. She mentioned that there were opened branches of the bank in the cities Vanadzor and Gyumri, by also adding that there is seen more enthusiasm towards those kinds of undertakings around people who live in regions.

Overall, based on the interview with “ID” bank’s marketing director, it can be pointed out that for managing the brand, the bank undertakes campaigns, during which the bank also promotes its new innovative services. As it was seen in the case of “Evocabank,” here as well, the bank provides services that facilitate the traditional banking process. Similar to “Evocabank,” “ID” bank as well aimed at creating a young and active brand.

#### *Co-founder and Branding Director of “Braind” branding agency*

“Braind” branding agency had its contribution in the branding process of “Evocabank” and “ID” bank. For finding the steps that the agency applies in branding for the effective result, there was an interview held with co-founder and branding director of the agency Karen Babajanyan.

In Mr. Babajanyan's words, one of the major reasons that lead banks on initiating branding is on getting out of the traditional banking system. He stated, “This is due to the digitalization pattern all over the world, which means that bank is being moved into your smartphone.” In response to a question, whether how banks can be appealing, Mr. Babajanyan told that it firstly depends on the applications that offer online services. He also mentioned that slogans also play a huge role. The complicated slogans confuse people, by generating mistrust inside them. Thus as he noted, “The clearly stated concept through a slogan is what makes an impression on people and creates trust.”

What relates to the factors that are important to consider while creating a brand identity, Mr. Babajanyan claimed that banks have to enter the market as a transparent and simple brand. In



his belief, the creation of the visual design is an experimental process, and even unsuccessful designs of brands can bring to a positive outcome if implemented correctly. He explained that in this way, “Despite the visual design that you create, the other vital point is on how you present it to the public, and consequently position it in the minds of your target audience.” When the banks aim at representing their brand to a new modern segment, then through specific color choice banks generate that association among people. Mr. Babajanyan told that this point was also relatable in “Evocabank’s” and “ID” bank’s cases. The main principle was to avoid traditional bank colors green, red, and blue, by emphasizing that those two banks are bringing updated standards with them.

To the question, whether how the banks have to manage their brand after rebranding it, Mr. Babajanyan noted that rebranding takes time. In his claim, the shortest way of passing that road after rebranding is on emphasizing the service. It concerns the transformation of the overall concept that the bank holds. He stated, “If you can fasten the wide recognition of your offered products or services, you will raise the brand’s awareness by also generating a loyal attitude towards your brand.” In his words, based on the data, both “Evocabank” and “ID” bank had a significant influence and advantage. However, as a rule, the service is not a stable state, as there is always a gap for filling.

Thus, the information from this interview indicates that the brand influences on the minds of potential consumers not only based on the logo, name, or visual design, rather through the concept that it holds. The innovative services are what banks aim to offer nowadays. While referring to the interviews of “Evocabank” and “ID” bank, it can be pointed out that those banks as well fit into the rows of institutions, which main purpose is on providing services that are modern and can be easily implemented by consumers.

*Expert from Public Relations field*

For finding whether “Evocabank” and “ID” bank implement effective strategies for managing their brands, it was also important to understand what initiatives of branding can work well for banks in Armenia. Therefore, the last interview was conducted with Public Relations specialist and adjunct lecturer at the American University of Armenia Tatevik Avetisyan.

In her responses, Mrs. Avetisyan noted, “It is important that the banks build a story about their unique selling and highlight what their brand promises to the communities where they operate.” The important factor is to ensure communication with consumers constantly. To the question related the core elements of the brand people tend to pay attention the most, Mrs. Avetisyan responded that at the first stage stands the memorable story, on the second the visual or message, while on the third the delivery of brand promise. She also pointed out that the value and benefit that the brand can bring are factors that make the brand appealing. She stated, “People expect more than just a service, money and stats- they look for a story that would satisfy their emotional and psychological needs. That is what brands try to deliver.”

Mrs. Avetisyan also mentioned that if bank succeeds on building relations with the potential consumers, it would then result on generating loyalty and gaining mutual trust. Based on Mrs. Avetisyan’s response, the truthfulness, open communication, good customer service, as well as the contribution to the development of the community where the bank operates are major components that generate brand loyalty. What concerns to the question, whether it is essential for banks to consider the concerns of their customers while creating a new brand, Mrs. Avetisyan stated that the surveys and online polls can be a great source of understanding the expectations that the customers have and for implementing that in the further processes.

Overall, the story that the company builds with its brand is one of the primary factors except for the representation of the services. What matters is also how the brand communicates its promise

to the society for raising awareness, by meanwhile highlighting the distinctive features for which people can trust that brand.

### *“Evocabank”- Consumer Perception*

After gathering the data of how “Evocabank” manages its brand from interviews, the other important part of the study was to find how the consumers perceive the brand of this bank. Therefore, online and face-to-face surveys indicate essential results for this study.

#### *Online Survey*

As the data collected from the online survey indicated, 96% of survey participants were familiar with “Evocabank.” To the question, whether how the respondents became aware of the bank, the billboards, digital networks, TV advertisements as well as the Instagram account of the Armenian celebrity Iveta Mukuchyan were the leading means through which people had received information about the bank.

As “Evocabank” initiated rebranding recently, the question about the public’s awareness of the bank with its previously known brand (“Prometey” bank) was also in a list of survey questions. Based on the responses, 78% of participants were familiar with the old brand while over the half of the respondents (52.7%) did not know that “Evocabank” was previous “Prometey” bank. It is also important to note that there were only a few participants, who were current clients with “Evocabank.” The rest of the respondents, who were not clients, were asked whether they would like to become use the services that this bank offers. Based on the responses, 46.5% said that they were uncertain about that, 27.6% showed their agreement, while 13.4% strongly disagreed on that.

The participants were asked, to give their opinion, whether what emotional value the brand communicates. With the obvious advantage, 47.3% of respondents chose the answer trust, 23.3% loyalty, while 15.3% the answer mistrust. However, there were also responses added by the participants. In the list of them were included answers that it is a modern, technologically advanced, innovative, creative bank. There were also people who said that the brand is not generating any emotional value at all.

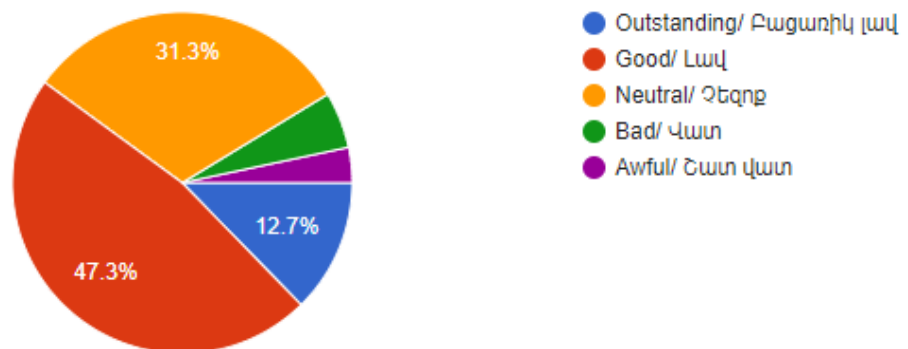


Chart 1. Survey Participants' Opinion about Brand Identity of "Evocabank"

The survey also asked the participants about their impression towards the brand of "Evocabank." As Chart 1 depicts, for 47.3% of respondents, the bank's brand identity was good, while for the other 31.3% it was in a neutral state. Only a few percentages of people gave a negative answer.

Aside from those, people were asked to specify whether what elements communicated the brand identity. Accordingly, most of the people (61.3%) chose the color of "Evocabank." 37.3% chose the answer visual design, 28.7% the celebrity Iveta Mukuchyan, while the least responses (12%) were given to slogan. To the question, whether what personality the image of the bank reminds people the most, over half of the participants (56%) chose the answer of an active young person. There were also people, who chose between the options "Beauty Queen" (18 %,) and Athlete (7.3 %.)

The last question of the survey was asking the participants, whether they were aware of “EvocaTouch” application. As Chart 2 demonstrates below, 63.5% of people participating in the online survey were not familiar with it.

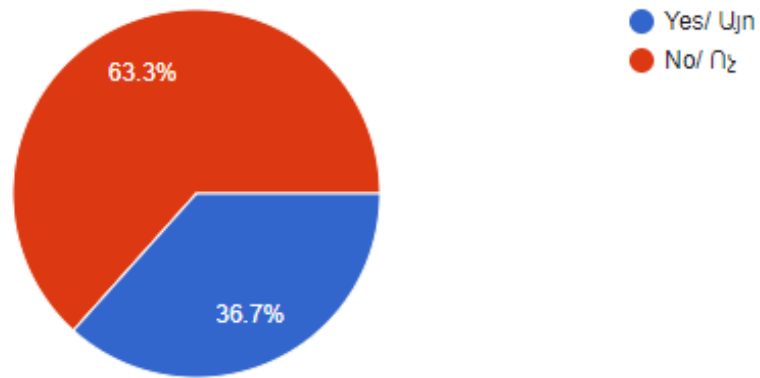


Chart 2. The Awareness of “EvocaTouch” Application

Thus, as the data indicated, the color stands as the leading communicating element in “Evocabank’s” brand identity. By relying on the responses, the emotional value that it communicates is that the bank is seen as a loyal and innovative bank. Most of the respondents were not aware that “Evocabank” was the previously known “Prometey” bank. However, they were able to recognize the bank with its new brand identity. As the statistics indicated, there was registered low awareness on the services that banks offer among the potential consumers.

#### *Face-to-face Survey*

Compared to the online survey results, 74% of face-to-face survey participants were aware of “Evocabank.” Moreover, the vast majority of the respondents who were familiar with the bank learned about it from the billboards, digital platforms. In addition, some people specifically recognized the brand by billboards, where Iveta Mukuchyan was present. 4% of people told that they were currently banking with “Evocabank,” while 66% agreed that they would prefer to be

one of the clients of the bank and use the services of it. To the question, regarding respondents' awareness of "Evocabank" as previously known "Prometey" bank, only 10% of people told that they did not recognize the bank with the previously known brand. Interestingly, more than half of the participants did not know that "Evocabank" is former "Prometey" bank too.

What relates to the participants' perception about the brand identity, 52% of people told that in their perspectives it is good, 26% that it is neither good nor bad. What relates to the emotional values then trust and loyalty filled the first rank in a row for the vast majority of the respondents. However, there were also registered cases that the participants were not able to recall any specific emotion. For 68% the brand was being associated with an active young person, while for 10.5% with an athlete. Besides that, it turned out that the color and visual design were the most repeated answers for the question asking about the major element, which communicates the brand identity. The final question, about respondents' familiarity with "Evocatouch" application, was the indication that the dominating number of them (84%) had not ever heard about it.

From the results of the face-to-face survey, it can be concluded that with comparison to the online survey results, there can be seen similar patterns in responses of participants. The answers indicate that people associate the bank with an active young person, and consider the color and visual design as the communicating elements of the brand identity. As in the online survey, here as well only a few people were familiar with the mobile application of the bank.

#### *"ID" Bank- Consumer Perception*

Similar to "Evocabank's" case, after finding the strategies that "ID" bank implements for communicating its brand, it was essential to understand how the potential consumers perceive it. Hence, the online and face-to-face surveys gathered data for examining consumers' perception about "ID" bank's brand too.

## Online Survey

As the results of the online survey indicated out of 150 participants, only 24 of them did not know about “ID” bank. 52.6% of participants knew about the bank through digital means, while 51.5% from billboards, 35.3% from TV advertisements, and 15.8% from the news. The survey also asked the participants about their familiarity with the previous brand of the bank (“Aneliq” bank.) Though the majority of people (92.7%) knew about the bank with its old brand, however over half of them (56%) did not know that “ID” bank is the former “Aneliq” bank. Some responses indicated that people knew about the bank from the terminals, or by word of mouth. Only 18% of those people were clients of the bank. Similar to “Evocabank’s” case, here as well those who were not, were asked whether they would like to become one of the clients of the bank. As Chart 4 demonstrates below, 38.8% chose that they were not sure, while with a small difference, 34.9% agreed on that.

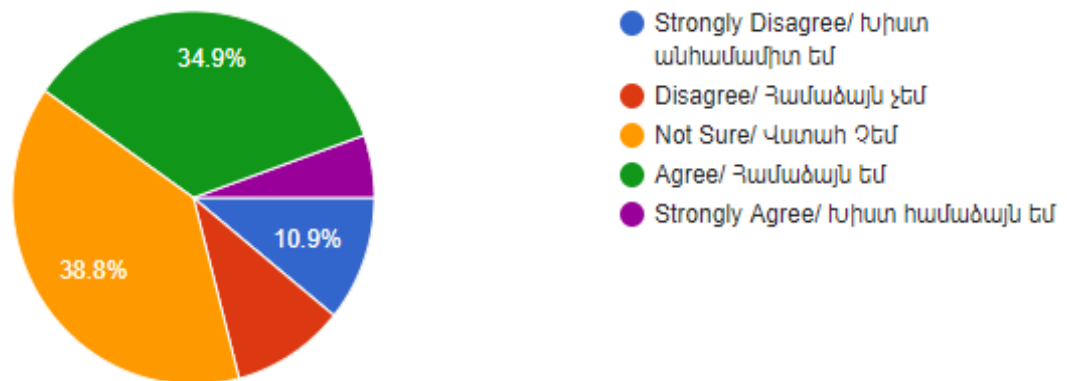
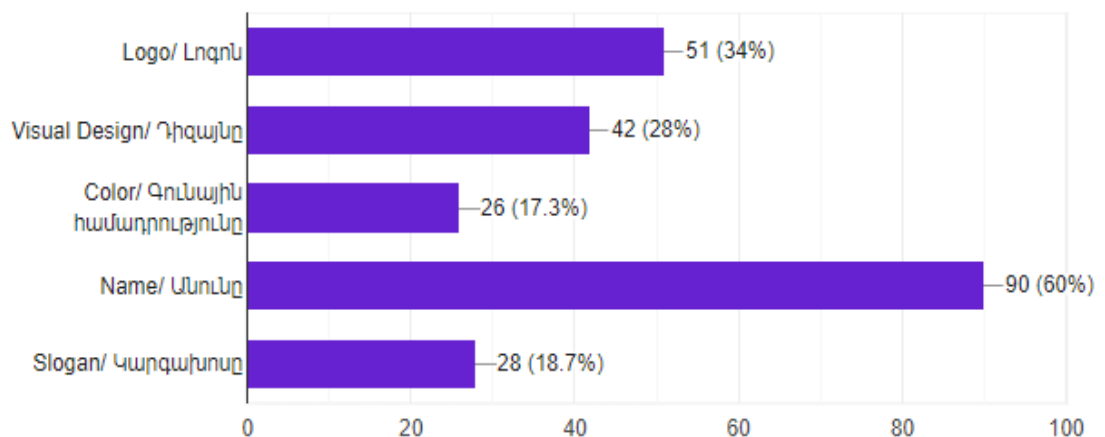


Chart 3. Responses about becoming a client of “ID” bank

To the question whether what impression participants had about the bank, 47.3% chose the variant good, while 39.3% answered as neutral. Only 5.3% chose the answer bad, while 0.7% the answer awful. For 43.3% of respondents the brand identity of “ID” bank communicates

trust, for 30.7% loyalty, while for 10.7% mistrust. The dominant number of people (33.3%) indicated that the brand personality of the bank is associated with an active young person. 26% of them chose the answer wise elderly, while 6.7% the variant child.

Graph 1 below shows that with an evident difference, the name of the bank was the primary attribute for people, which communicates the image of the bank. The logo, visual design, and the slogan were following to it.



Graph 1. Communicating Element in “ID” bank’s brand identity

Similar to the case of “Evocabank,” there was included a question for understanding the awareness of the consumers about the online digital banking opportunity of the bank. As the responses indicated, 32.7% of participants were familiar with it, while other 67.3% were not.

Overall, the data indicate that similar to “Evocabank’s” case, here as well most of the people think that the emotional value that the brand communicates is trust. For “ID” bank, the name is what communicates the concept that “ID” bank holds in it as a brand. The answers also indicated that there is low recognition of the bank’s online service, as it was for “Evocabank” too.



### *Face-to-face Survey*

The face-to-face survey responses indicated that 82% of people, who took part in the survey, were aware of the “ID” bank. TV advertisements, news, and billboards were the main sources from where participants received information about the bank. There also met responses that participants knew about the bank from the billboards that are located in Vardananc Street of capital city Yerevan, where the main branch of “ID” bank is located. Thought the majority of participants were not banking with “ID” bank, however, 38% agreed that they would like to use the offered services of the bank. To the question of whether the participants knew about “ID” bank before its rebranding, 78% of people answered yes. As the answers indicated, the “ID” bank communicated trust with its brand identity for most of the participants of the survey.

It was found that 34% of people thought that “ID” bank could be associated with the personality of an athlete. However, 45% of them told that they associate it with an active young person. Over 65% of the participants chose the name and the visual appearance as the two primary elements, which communicate the bank’s core message. There were also responses that the bank’s logo is what communicates the brand identity. To the question whether the participants were aware of online digital banking opportunity of “ID” bank, the majority of them answered as no or that they hear about it for the first time.

From the face-to-face survey, it can be concluded that the vast majority of participants knew about the bank, however, they were not aware of the service that “ID” bank offers. The dominating part of them saw the name and the logo as the communicating elements of the brand. As the survey data indicated “ID” bank is being associated with an active young person or an athlete among the survey participants.

## **Discussion and Conclusion**

Based on the data, this study concluded how “Evocabank” and “ID” bank manage their brands and how their brand identities correspond with the perception of potential consumers in Armenia.

The surveys’ results indicated that both “Evocabank” and “ID” bank had wide recognition among people residing in the capital city Yerevan. Although this research did not reach people living in the regions too, however even with a small percentage of answers from people residing in provinces, it becomes evident that the banks gained brand awareness in some regions too. This can be the indication that both “Evocabank” and “ID” bank have achieved effective brand awareness. As the surveys’ results showed, the participants from different age groups were aware of the bank. From that can be pointed out that both banks apply brand communication strategies that reach to various target groups.

The data of surveys indicated that the participants had received information about banks through different means, including billboards, digital networks, TV advertisements, and news. In “Evocabank’s” case, people were aware of the bank from the celebrity Iveta Mukuchyan too. Those communication steps can show how those banks use different communication means for raising brand awareness. As the data from both surveys showed, more people agreed on becoming the consumers of “Evocabank” than for “ID” bank. Therefore, “Evocabank’s” strategy on choosing Iveta Mukuchyan as a face of its brand might have been one of the leading factors for which this bank had achieved effective brand perception by the potential consumers.

Along with the creation of new brand identity, the focus of “Evocabank” was on emphasizing its innovativeness and reliability. In comparison, the “ID” bank’s was on highlighting its transparency and individual approach with everyone. As it was found, this phenomenon was for getting out of the traditional banking system, and being appropriate to global standards. For most of the participants of the surveys, the color was what communicated the brand identity of

Evocabank”. The choice of purple color was for emphasizing that the bank brings entirely new system approach. In the case of the “ID” bank, the respondents saw the name and the logo as the communicating elements. Those elements were for highlighting the concept of individuality that is the core value of the bank. As both banks did rebranding with “Braind” branding agency, it can be noted that they have achieved on emphasizing specific elements in their brand identities that communicate the brands effectively.

However, from the other results of the surveys, it can be pointed out that both “Evocabank” and “ID” bank have not achieved distinctive and different branding. As the results showed, the participants of the surveys were not well aware of the alternative services that the banks offer. They might be aware of brands based on the overall impressions that they got from visually appealing elements in brand identity, not from the services of banks. As both “Evocabank” and “ID” bank did rebranding in recent years, they might not have managed to communicate the different types of services yet. Though “Evocabank” did rebranding earlier than “ID” bank, however, rebranding takes time and for communicating the distinctive and different features of brands, both banks have to develop new strategies. People want to see a story that will emotionally satisfy their needs. Being unaware of the alternative services that banks offer, people do not see a difference in comparison to other banks. Therefore, they do not intend to choose the specific bank over the other ones.

It can be also noted that “Evocabank” and “ID” bank might not have achieved communicating distinctive and different features of their brands as both did rebranding with the same branding agency. “Evocabank” aimed at creating a bright young brand that would be the first choice of people for using the mobile banking service. With comparison to this, the “ID” bank’s purpose was to create a brand, which would emphasize the individual approach to every client and would be associated with an active young person too. As both banks aimed at creating innovative brands, the strategies that the branding agency applied could lead to a similar perception by consumers. After the rebranding of “Evocabank” in 2017, and of the “ID” bank in 2018, they

started to offer new alternative services and aimed at communicating a brand, which is innovative among other competitive banks. Thus, while focusing on raising brand awareness, the banks might not have achieved on emphasizing the distinctive and different features from one another.

Overall, it can be indicated that brand identities of “Evocabank” and “ID” bank generate trust towards banks among people. The banks continue to have active communication with potential consumers through different means. With that, they involve people in different initiatives, which aim is on building trust and thus having an increment of customers. As surveys’ results showed, with comparatively fewer responses, the bank also generates loyalty towards their brands. It can be indicated that if banks proceed on raising the awareness about their offered services, they will gain loyal customers, who would prefer to use the services of that brand. Thus, both “Evocabank” and “ID” bank had achieved in communicating their brand identities in a way that it matches with the perception of potential consumers. They have also achieved an effective brand awareness. However, both banks have not made their brands distinctive and different. Hence, that can be the indication that “Evocabank” and “ID” bank are not managing their brands as effectively as they should.

Though this study made conclusions based on the data that was gathered through various methods, however, there were met limitations, which could be considered while conducting further research. Firstly, during the implementation of this study, there met the difficulty of reaching more people both residing in a capital city Yerevan and especially in other parts of Armenia too. The online survey was spread through Facebook groups, where the survey was not constantly staying in the list of relevant ones along with the appearance of new posts. Besides that in the case of a face-to-face survey, there were people, who did not want to participate because of their shortage of time. The other limitation was the short study duration. It was impossible to do face-to-face surveys in various locations, as there was not enough time for going to each possible corner of Yerevan as well as to reach to different regions.

Thus, the possible avenue for further research can initiate face-to-face surveys in both provinces of Armenia as well as in different parts of Yerevan. Additionally, as the banks are developing sectors, which always work on communicating with people and acquiring more customers, the other avenue for future research can be to implement surveys with people and interviews with banks' representatives every year. It will hold the purpose of examining how "Evocabank" and "ID" bank achieve on communicating their new goals, how the public responses to it, and therefore how the banks manage their banks in comparison with what was found from this study.

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## **Appendices**

### *Appendix 1*

#### **Interview Questions with Marketing/ Public Relations department specialists of “Evocabank” and “ID” bank**

1. How do you usually learn about the interests of your customers? Who is your target audience?
2. How do you emphasize the advantages of your bank?
3. How do you manage bank as a brand?
4. What is your branding strategy?
5. What factors did you consider while creating new brand identity of the bank?
6. Do you think the public fully perceives the core message of your bank?
7. What steps do you undertake for managing the reputation of your bank among other competitors?
8. In what ways do you usually raise the awareness of your bank and make it appealing?
9. What personality did you try to create with your brand?
10. Do you involve your employees in brand management processes?
11. How often do you initiate PR campaigns, advertisements? What aim do they hold behind them?
12. How do you find that it is time for a change?
13. How do you communicate your bank’s new brand identity?
14. If telling on percentages is there increment/decrement of the number of customers?
15. How do you make the bank appealing?
16. Is it challenging to enter to Armenian market after rebranding?

**Interview Questions with “Braind” branding agency**

1. What is the main purpose that banks create a new brand?
2. What do you consider as a first priority, while organizing the branding for banks?
3. Do you ask the banks’ representatives about their preferences of a brand identity?
4. What does make a brand appealing?
5. Is it essential to know about the services the bank is providing to the customers?
6. Based on what factors you create a new logo of a bank?
7. Are there any criteria while choosing the specific color for the brand?
8. In your opinion, what defines the successful result of branding?
9. Do you ask the bank’s representative about the factors for which they are the best among the other banks?
10. Do the budget the bank is able to give your agency also play a huge role for branding enterprise?
11. How long does it usually take to initiate branding of a bank?
12. How do banks have to enter the market after rebranding?

**Interview Questions with Expert from Public Relations Field**

1. How do banks have to position themselves among other competitors for gaining wide recognition by the society?
2. How do they have to manage the bank as a brand?
3. In what ways would it be beneficial to raise awareness about the bank as a brand among society?
4. What are the main components that generate brand loyalty?
5. What is the most influencing tool of communication mix that will be beneficial for banks to use for communication of their brand?
6. What is the core element of brand that people tend to pay attention to as a first priority?
7. What are the human-drive factors, which make the brand emotionally and logically appealing?
8. Are the suggestions or concerns of the customers important to take into account before initiating rebranding?
9. What can be the major purpose of banks behind creating their brand or rebranding it?
10. How do banks have to manage crisis communications?

## Questionnaire of Online and Face-to-face Surveys

### 1. Gender

- Male
- Female

### 2. Age

- Under 18
- 19-29
- 30-39
- 40-49
- 50-59
- Over 60

### 3. Nationality

- Armenian
- Russian
- Georgian
- American
- Other:

### 4. Religion

- Christianity
- Muslim
- Jewish
- Hindus
- None
- Other:

## **5. Ethnicity**

- Caucasian
- Native American
- Asian
- Hispanic
- Other:

## **6. Residence**

- Yerevan
- Kotayk
- Aragatsotn
- Ararat
- Vayots Dzor
- Syunik
- Gegharkunik
- Armavir
- Shirak
- Tavush
- Lori
- Other:

## **7. Education Level**

- High School Diploma
- Bachelor's Degree
- Master's Degree
- Other:

## **8. Occupation**

- Student
- Unemployed
- Employed
- Student and Employed

## **9. Monthly Income**

- Less than 80,000 AMD
- 80,000-150,000 AMD
- 150,000-300,000 AMD
- 300,000-450,000 AMD
- 450,000-600,000
- Over 600,000
- Prefer not to answer

## **10. Marital Status**

- Married
- Unmarried
- Other:

*“Evocabank”*

## **11. Have you heard of “Evocabank?”**

- Yes
- No

## **12. If yes, how do you receive information about “Evocabank?”**

- Billboards throughout the country
- Digitally (official website, Facebook, Instagram, Twitter)
- TV Advertisement
- Through Instagram of celebrity Iveta Mukuchyan
- News
- Newspaper
- Other:



**13. Did you know about “Prometey” bank?**

- Yes
- No
- Of course, I was one of their clients.

**14. Did you know that “Evocabank” is former “Prometey” bank?**

- Yes
- No

**15. Do you bank with “Evocabank?”**

- Yes
- No



**16. In your opinion what is the image of the bank?**

- Outstanding
- Good
- Neutral
- Bad
- Awful



**17. What communicates the image of “Evocabank?”**

- Logo
- Visual Design
- Color
- Slogan
- Celebrity Iveta Mukuchyan
- Other:

**18. Psychologically what emotional value does the image of “Evocabank” communicate?**

- Loyalty
- Trust
- Mistrust
- Other

**19. What personality does the image of “Evocabank” remind you the most?**

- Child
- Wide Elderly
- Active Young Person
- Athlete
- “Beauty Queen”
- Other

**20. If you answered that you do not bank with “Evocabank,” then would you like to use the services offered by this bank?**

- Strongly Disagree
- Disagree
- Not Sure
- Agree
- Strongly Agree

**21. Are you familiar with the app “Evocatouch?”**

- Yes



- No

*“ID” Bank*

**22. Have you heard of “ID” bank?**

- Yes
- No

**23. If yes, how do you receive information about “ID” bank?**

- Billboards throughout the country
- Digitally (official website, Facebook, Instagram, Twitter)
- TV Advertisement
- News
- Newspaper
- Other:



**24. Did you know about “Anelik” bank?**

- Yes
- No
- Of course, I was one of their clients.

**25. Did you know that “ID” bank is former “Anelik” bank?**

- Yes
- No

**26. Do you bank with “ID” bank?**

- Yes
- No



**27. In your opinion what is the image of the bank?**

- Outstanding
- Good
- Neutral
- Bad
- Awful

**28. What communicates the image of “ID” bank**

- Logo
- Visual Design
- Color
- Slogan
- Celebrity Iveta Mukuchyan
- Other:

**29. Psychologically what emotional value does the image of “ID” bank communicate?**

- Loyalty
- Trust
- Mistrust
- Other

**30. What personality does the image of “ID” bank remind you the most?**

- Child
- Wide Elderly
- Active Young Person
- Athlete
- “Beauty Queen”
- Other

**31. If you answered that you do not bank with “ID” bank, then would you like to use the services offered by this bank?**

- Strongly Disagree
- Disagree
- Not Sure
- Agree
- Strongly Agree

**32. Are you familiar with the app Online Internet Banking opportunity of “ID” bank?**

- Yes
- No